

Transportation 2035 Plan for the San Francisco Bay Area

Equity Analysis Addendum April 2009



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TRANSPORTATION 2035 EQUITY ANALYSIS ADDENDUM

This addendum revises portions of the Financial Analysis component (Chapter 4.1) of the Transportation 2035 Equity Analysis Report, based on revised financial assumptions developed after the release of the Draft Transportation 2035 Plan and the final Equity Analysis Report.

REVISIONS TO THE DRAFT TRANSPORTATION 2035 PLAN

On December 19, 2008, the Metropolitan Transportation Commission released the Draft Transportation 2035 Plan for public comment through March 2, 2009.

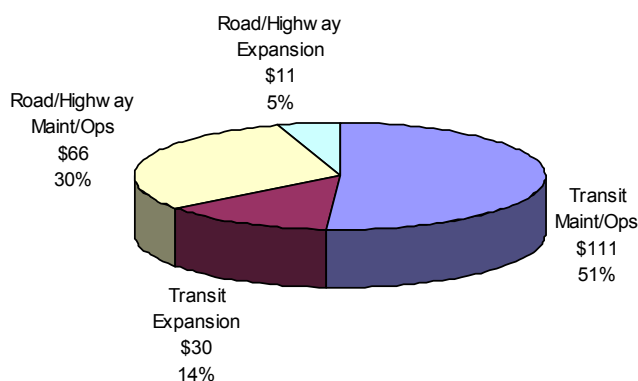
On January 22, 2009, the draft Transportation 2035 Equity Analysis Report was released as a supplemental report to the Transportation 2035 Plan, with public comment accepted specifically for the Equity Analysis through February 11. The final Equity Analysis Report was subsequently released February 27, and is available via MTC's Transportation 2035 web site (www.mtc.ca.gov/T2035) and at the MTC-ABAG Library, 101 8th Street, Oakland, Calif.

On March 13, 2009, MTC postponed the adoption of the final Transportation 2035 Plan to April 2009 in light of two actions occurring since the release of the Draft plan:

- The Santa Clara Valley Transportation Authority (VTA) staff presented to their Board new information about the Measure A program, including a new 65% design cost estimate for the BART to Silicon Valley extension and a revised sales tax revenue forecast.
- Recent actions by Sacramento lawmakers on the State budget, particularly multi-year cuts in State Transit Assistance (STA) funding for transit operations.

Revisions to the draft Plan given these new financial assumptions are outlined in MTC Resolution 3893, Attachment C. Total Plan expenditures were reduced approximately \$8 billion, from \$226 billion to \$218 billion. Revised Figure 4-1 below reflects the changes outlined in Resolution 3893.

Transportation 2035 Expenditures by Mode/Type (\$Billions)



Revised Figure 4-1. Transportation 2035 Expenditures by Mode/Type

METHODOLOGY

The methodology for the financial analysis of the Transportation 2035 Plan is described in Chapter 4.1 of the Equity Analysis Report, which outlines the basis for allocating Plan expenditures either to low-income households (making less than \$25,000 per year) or all other households.

RESULTS

Revised Table 4-1 shows the per-household Plan expenditures allocated to low-income households and all other households based on the revised financial assumptions. This table also revises the corresponding amounts shown on page ES-3 of the Executive Summary.

Total Expenditures (\$Billions)	Total	Low Income Household Share	All Other Households Share
Transit Maintenance/Ops	\$111	\$30	\$82
Transit Expansion	\$30	\$8	\$22
Transit Subtotal	\$141	\$38	\$104
Road/Highway Maintenance/Ops	\$66	\$2	\$64
Road/Highway Expansion	\$11	<\$1	\$11
Road/Highway Subtotal	\$77	\$2	\$75
Total Expenditures	\$218	\$40	\$179
2006 Households	2,468,024	436,554 17.7%	2,031,470 82.3%
Expenditures per Household (\$000s)	All Households	Low Income Households	All Other Households
Transit Maintenance/Ops	\$45.1	\$68.1	\$40.2
Transit Expansion	\$12.2	\$18.3	\$10.8
Transit Subtotal	\$57.3	\$86.4	\$51.0
Road/Highway Maintenance/Ops	\$26.7	\$3.6	\$31.7
Road/Highway Expansion	\$4.5	\$0.6	\$5.3
Road/Highway Subtotal	\$31.2	\$4.2	\$37.0
Total	\$88.5	\$90.7	\$88.0

Revised Table 4-1. Transportation 2035 Expenditures by Mode/Type and Household Income Group (escalated dollars).

According to this analysis, on a per-household basis, low-income households will receive slightly greater benefit from the Plan's expenditures (\$90,700 per household over 25 years) than other households (\$88,000 per household). The average per-household expenditure for all households is \$88,500 over 25 years.

CONCLUSION

Based on this assessment of the revised financial assumptions, there is no change to the discussion and conclusion provided in Chapter 4.1 of the Equity Analysis Report, namely that there does not appear to be a systematic disbenefit to low-income households based on the Transportation 2035 Plan's overall investment strategy.